

Embargoed until 0700 hours, Wednesday 27 June 2018

LIONTRUST ASSET MANAGEMENT PLC
FULL YEAR RESULTS FOR THE YEAR ENDED 31 MARCH 2018

Liontrust Asset Management Plc (“Liontrust”, the “Company”, or the “Group”), the independent fund management group, today announces its results for the year ended 31 March 2018.

Results:

- Adjusted profit before tax of £27.4 million (2017: £17.2 million), an increase of 59%
- Adjusted diluted earnings per share of 42.7 pence per share (2017: 29.8 pence per share), an increase of 43%
- Profit before tax of £12.3 million (2017: £9.1 million), an increase of 35%. This includes costs of £15.0 million (2017: £8.1 million) relating to the amortisation of intangible assets and other non-cash and non-recurring costs (see note 5 below)
- Revenues of £77 million (2017: £51 million), an increase of 49%. This includes £4.5 million of performance fee revenues (2017: £4.0 million)

Dividend:

- Second Interim dividend per share of 16.0 pence (2017: 11.0 pence), which will be payable on 10 August 2018. This brings the total dividend per share for the financial year ending 31 March 2018 to 21.0 pence (2017: 15.0 pence), an increase of 40%

Assets under management:

- On 31 March 2018, assets under management (“AuM”) were £10.5 billion (2017: £6.5 billion), an increase of 61%
- Three funds have been successfully launched for the Global Fixed Income team with a total of £214 million AuM as at 25 June 2018
- AuM as at close of business on 25 June 2018 were £11.347 billion

Flows:

- Net inflows for the year to 31 March 2018 of £1,004 million (2017: £482 million)

Commenting on the results, John Ions, Chief Executive, said:

“We have made substantial progress over the past year, posting impressive net sales and growth in AuM, a significant increase in revenue and profit, and broadened our fund management capability and client base.

There have been net inflows of £1 billion, the eighth successive year of positive sales, and our AuM increased to £10.5 billion. The Sustainable Investment team joined on 1 April 2017 and its AuM now stands at £3 billion. The team has delivered strong performance in an area of increasing client focus.

The new financial year has begun well, raising £214 million for the launch of three funds managed by our Global Fixed Income team. This and good flows into other teams has now taken our AuM to £11.3 billion compared to £6.5 billion on 1 April 2017.

This demonstrates the continued demand for active fund managers with robust investment processes and proven track records.

The strong year for distribution is reflected in our financial results, with the adjusted profit before tax increasing by 59% to £27.4 million and revenues rising by 49% to £77 million.

The Distribution team is being strengthened through the recruitment of Frank Doyle as Head of Institutional Business. Frank, who is joining Liontrust in September, has extensive experience and strong relationships with consultants and institutional investors and will enhance our business in this part of the market.

I have often talked about the need for a strong foundation from which to build. As we continue to grow, the progress made over the last year in investment, client servicing and brand awareness gives me great confidence for the future.”

For further information please contact:

Liontrust Asset Management

John Ions, Vinay Abrol
Simon Hildrey – Chief Marketing Officer

020 7412 1700

www.liontrust.co.uk

Numis Securities Limited

Charles Farquhar

020 7260 1000

Macquarie Capital (Europe) Limited

Advisory – Jonny Allison, Kavita Choitram
Corporate Broking – Alex Reynolds, Nicholas Harland

020 3037 2000

Chairman’s Statement

Introduction

This has been a year of strong growth and expansion for Liontrust. We delivered £1 billion in net inflows and our assets under management (AuM) increased by 61% to £10.47 billion. This is a tribute to the leadership of the business, the talent we have across Liontrust and the investment we have made over the past eight years in our fund management teams, distribution, marketing and the brand.

We have continued to strengthen our fund management capability through the Sustainable Investment and Global Fixed Income (“GFI”) teams. After joining Liontrust on 1 April 2017, the AuM of the Sustainable Investment team increased by £500 million over the financial year to reach nearly £3 billion. The GFI team is an excellent addition with their experience, high profile and strong track record.

These two teams have provided the business with further diversification by asset class and clients, both in the UK and internationally. They also provide clients with great reassurance at a time of increased geopolitical uncertainty.

We are now coming to the end of 10 years of Central Banks experimenting with unconventional measures to keep interest rates low and flood liquidity into the system to fend off a depression and strengthen the banking system. The speed of change has accelerated as we face numerous potential or actual blow-ups each year. The currency crisis in Argentina and Turkey, Brexit, trade tariffs and the near meltdown of the financial markets in Italy are just a few on the table as I write.

It is nigh on impossible to lay down a road map for the future, not least because the President of the USA is shaking all the trees in the orchard at the same time, and where the apples will fall is anybody's guess. Whether one is heartened by his advice to Kim Jong-un to build "Condos" and hotels on the beaches in North Korea is a moot point!

A key strength of the fund managers at Liontrust is that despite all of this global noise going on, they continue to run investors' money according to clear, well defined investment processes that are predictable and repeatable.

We welcomed Sophia Tickell to the Board on 1 October 2017 as an Independent Non-executive Director and she has been a strong addition for Liontrust. Sophia has been providing invaluable insight having worked with asset managers for more than 15 years and through her background in and extensive knowledge of ESG.

I would like to highlight the hard work and the contribution of the management and staff at Liontrust to the continued success of the business and to thank our shareholders and investors for their ongoing support and loyalty to the company. This commitment will enable us to continue on our growth path.

Results

Adjusted profit before tax was £27.378 million (2017: £17.235 million). Adjusted profit before tax is disclosed in order to give shareholders an indication of the profitability of the Group excluding non-cash (depreciation, intangible asset amortisation and share incentivisation related) expenses and non-recurring (professional fees relating to acquisition, cost reduction, restructuring and severance compensation related) expenses ("Adjustments"), see note 5 below for a reconciliation of adjusted profit (or loss) before tax.

Profit before tax is £12.313 million (2017: £9.103 million).

Dividend

The success in fund performance and distribution has resulted in an increase in revenues excluding performance fees of 53% and a 59% increase in our adjusted profit before tax to £27.4 million. This has enabled the Board to declare a second interim dividend of 16.0 pence per share (2017: 11.0 pence), which will be payable on 10 August 2018 to shareholders who are on the register as at 6 July 2018, the shares going ex-dividend on 5 July 2018. The total dividend for the financial year ending 31 March 2018 is 21.0 pence per share (2017: 15.0 pence per share), an increase of 40% compared with last year.

The Company has a Dividend Reinvestment Plan ("DRIP") that allows shareholders to reinvest dividends to purchase additional shares in the Company. For shareholders to apply the proceeds of this and future dividends to the DRIP, application forms must be received by the Company's Registrars by no later than 20 July 2018. Existing participants in the DRIP will automatically have the dividend reinvested. Details on the DRIP can be obtained from Link Asset Services on 0371

664 0381 or at www.signalshares.com. (Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales).

Adrian Collins

Chairman

26 June 2018

Chief Executive's Statement

Introduction

Asset management has a central role to play in enabling people to try to achieve their financial goals over the medium and long term. This role will now continue throughout people's lives due to greater longevity and with the onus increasingly being on individuals to save and invest for their own futures.

Along with this structural opportunity for asset managers comes a highly competitive market and greater scrutiny. To overcome these challenges and to take advantage of the opportunities, we will remain focused on what has brought us success and enabled us to deliver eight successive years of positive inflows.

Key to this is our first-class investment proposition and the talent of our fund management teams. By delivering what our clients and investors expect, along with strong long-term performance, through robust and repeatable investment processes, we will continue to attract assets and retain loyalty.

At a time when attention is so focused on price and cost, it can be easy to lose sight of the benefit of value. Those asset managers able to demonstrate the added value of great active fund management will retain a central role in looking after people's savings.

It is also important to deliver what investors want and not just what asset managers want to provide. Since our Sustainable Investment team joined us on 1 April 2017, we have seen a significant increase in attention and demand for this way of investing. You can see this clearly in the reaction to the fact that if current trends continue, the weight of plastic in our seas will exceed that of fish by 2050, according to the World Economic Forum. It will no longer be an option for asset managers not to have a view on Sustainable Investment.

Our Sustainable Investment team has vast experience, a clear process and a focus on generating returns for investors as well as seeking to benefit society through their holdings. The quality of this and our other fund management teams is shown by the independent recognition they are receiving. We have won seven fund awards and two group awards over the past year and have been shortlisted in eight categories at the Investment Week Fund Manager of the Year Awards 2018 in July. Five of these are for Sustainable funds within mainstream categories and two for the Economic Advantage team, who celebrated 20 years of the investment process in January 2018.

We will continue to add to and diversify our fund management capability as and when the right opportunities arise and if they meet the needs of investors. The GFI team, who joined us at the start of 2018, demonstrate the attraction of Liontrust to high-quality fund managers.

The addition of the Sustainable and GFI teams and the significant investment we have made in Distribution is leading to a further broadening of our client base and a deepening of relationships. This is demonstrated by the fact that Liontrust had the 11th largest net retail sales in the UK in 2017 and had the 13th largest total net sales, according to the Pridham Report. Since the end of the 2017-18 financial year, we have successfully launched three funds for the GFI team with a total of £214 million of assets as at 25 June 2018.

Another key factor behind the growth of Liontrust has been our brand profile and engagement. To enhance this further, we have added a new partnership deal with Durham County Cricket Club. This includes sponsorship of its T20 team, the Durham Jets and the Women's Academy, along with supporting the club's community engagement through the Durham CCC Foundation and a new programme in Kenya.

Our Liontrust community engagement programme is also expanding, with a principal focus on financial education for schoolchildren. It is vital, both for the long-term future of society and the investment industry, that we give children and young people a greater understanding of and confidence in how we manage money.

The talent we have at Liontrust and the ongoing investment we are making in the business gives us the ability to continue to overcome the challenges we may face and capitalise on the many opportunities ahead of us.

Assets under Management

On 31 March 2018, our AuM stood at £10.475 billion and were broken down by type and process as follows:-

<u>Process</u>	<u>Total</u>	<u>Institutional</u>	<u>UK Retail</u>	<u>Multi-Asset</u>	<u>Offshore Funds</u>
	<u>(£m)</u>	<u>(£m)</u>	<u>(£m)</u>	<u>(£m)</u>	<u>(£m)</u>
Cashflow Solution	973	551	313	-	109
Economic Advantage	4,974	386	4,507	-	81
Macro Thematic	442	153	264	-	25
European Income	232	-	232	-	-
Asia	114	-	104	-	10
Sustainable Investment	2,996	54	2,737	-	205
Multi-Asset	700	-	-	700	-
Indexed	44	-	44	-	-
Total	10,475	1,144	8,201	700	430

Funds Flows

Liontrust recorded net inflows of £1,004 million in the financial year to 31 March 2018 (2017: £482 million). A reconciliation of fund flows over the financial year is as follows:-

	<u>Total</u>	<u>Institutional</u>	<u>UK Retail</u>	<u>Multi-Asset</u>	<u>Offshore Funds</u>
	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>	<u>£m</u>
Opening AuM - 1 April 2017	6,523	1,044	4,648	612	219
Net flows	1,004	(24)	906	76	46
Acquisitions*	2,518	49	2,316	-	153

Market and Investment performance	430	75	331	12	12
Closing AuM - 31 March 2018	10,475	1,144	8,201	700	430

* Relates to the acquisition of Alliance Trust Investments Limited which completed on 1 April 2017.

Outlook

We are well positioned to continue the growth of Liontrust. We have further diversified our fund management proposition with the addition of two high quality teams to expand our already strong capability. Through the arrival of the Sustainable Investment and Global Fixed Income teams and our greater Distribution reach, we have been expanding our client base in the UK and internationally.

This is enhanced by our strong brand and the investment we have made in the infrastructure of the business, particularly over the past year. Our brand profile not only gives us great awareness, it also engenders a positive opinion of and engagement with Liontrust among clients and investors. This builds trust and loyalty for the future.

John Ions
Chief Executive
26 June 2018